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Survey of Selected Industries

A. Coal Mining

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Since all industrial activity as well as transportation is dependent upon the availability of adequate power resources, the Central-South Region is under a serious handicap because of the limited local coal supply. The regional deficit in coal, as a rule, is met by imports from both North and East China, although strenuous efforts have been made to expand coal mines in the area. This need for the expansion of coal mining was felt both before and during World War II, when a number of new mines were developed to provide coal for the Hankow-Canton Railway.[11] These mines, which are presumably still in operation, are:

Hunan Province		Kwangtung Province
Li-ling	Chung-hsiang	Pa-tzu-ling
Ch'ing-ch'i	Yun-hu	Kou-ya-tung
San-tu	Hsiang-chiang	
T'an-chia-shan	Yang-mei-shan	

With the exception of the Hsiang-chiang and Yang-mei-shan coal mines, which have been expanded by the Communists,[12] the mines in Hunan and Kwangtung along the Canton-Kankow Railway are

11. Chung-yang Yin-hang Yueh-pao [The Central Bank Monthly], August, 1947, Vol. II, No. 8, p. 45.

12. Yangtze Daily, July 27, 1951, Aug. 26, 1951.

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extremely small. The major coal mines are located at Chiao-tso in Honan and P'ing-hsiang in Kiangsi. To these may be added such mines as I-lo (Honan Province), Liu-hokou (Honan), and Ta-yeh (Hupeh), which are of secondary importance.

The Chiao-tso coal mine, located in southern Honan and connected with the Peking-Hankow Railway, had an annual production of one-half million tons in 1949.[13] Subsequent Communists reports have indicated substantial increases in production above this level.[14] Following the inception of the First Five-Year Plan, four pits were said to be under construction during 1954,[15] and an increase in anthracite production was expected upon the completion of construction.

As mentioned above, along with Chiao-tso, the P'ing-hsiang coal mine in Kiangsi is the site of another major expansion project under the Communists' Five-Year Plan.[16] The plan, as reported, apparently aims at the construction of a pit for producing coking coal by mechanized mining, which is expected to raise its production by 50 per cent.[17] The new mine is located at a previously abandoned

13. Tu-pao Shou-tse [Newspaper Reading Handbook], 1950, p. 526.
14. People's Daily, Oct. 19, 1951, March 22, 1952, NCNA, Dec. 4, 1952.
15. NCNA, Jan 13, 1954.
16. Ibid.
17. NCNA, Feb. 21, 1954.

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pit and will exploit coal deposits reportedly discovered by the Communists.[18]

In addition to such expansion as has already been mentioned, rehabilitation and construction work have apparently been carried out at Yung-shao on the Hunan-Kwangsi-Kweichow Railway, P'ing-ting-shan in Honan, Tzu-hsing in the southern sector of the Hankow-Canton Railway, and the Kuan-yin-t'ang mine in Chia-hsien (Honan Province).[19] However, few details on construction are available.

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For the region as a whole, the Communists report, coal production increased from 2 million tons in 1949 to an estimated 6.5 million tons in 1953.[20] The latter figure represented a little over 10 per cent of Mainland China's total estimated coal output for that year. As a result of expansion in Manchuria and North China after 1953, the relative share of coal output in the Central-South doubtlessly has declined even further. While the present regional output, as compared with that of 1949, might be sufficient to meet the region's consumption requirements at the 1949-1950 level, it undoubtedly falls below the present higher consumption level so that regional dependence upon import will continue.

Electric Power

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The relative shortage of coal in the Central-

18. Ibid.

19. Newspaper Reading Handbook, 1950, pp. 519-21.

20. Chung-kuo Kung-yeh [China's Industry] Vol. I, No. 8, Dec. 20, 1949, p. 45; New China News Agency, Peking, Dec. 18, 1954.

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Apart from Ta-yeh, the only other steel works in Central-South China possessing an electric furnace is located at Canton.[29] But there has been little current information on this plant.

Mining of Ferro-alloys

As mentioned before, the principal tungsten-producing mines are in Kiangsi, Kwangtung, and Hunan. The entire area was taken over by the Communists in 1949. At the end of the year, it was reported that 25 of the 30 mines under the control of the Kiangsi Tungsten Mining Corporation, as well as some 107 private native mines, had resumed production. Production in Kiangsi in the final months of 1949 was reported to be 43.8 per cent of that of a like period in 1947. For the entire Central-South Region, production in November 1949 was reported to be 576 tons as compared with only 11.5 tons in August of the same year. Information on subsequent developments has been rather scanty, although production during the first eleven months of 1951 was reported to be 9.2 per cent above the year's planned output, and production of ore concentrates in Hunan in the first ten months of 1951 was reported to be 107.42 per cent that of the year's plan, or 9.3 per cent over that of 1950.[30]

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29. Yuan-li Wu, An Economic Survey of Communist China, Bookman Associates, New York, 1956, p. 42.

30. Tu-pao Shou-ts'e [Newspaper Reading Handbook], pp. 517-18; People's Daily, Feb. 10, 1951; Kung-shang Hsin-wen [Industrial and Commercial News], Shanghai, Dec. 17, 1951, p. 3.

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Reports from Hong Kong have indicated close co-operation between Communist China and the Soviet Union in tungsten-mining and the development of deposits in Kwangtung. The joint management of all tungsten mines in Kiangsi, Kwangtung, and Hunan was said to have been established between China and the Soviet Union in January 1952. Large-scale exploitation of the deposits in Shih-hsing, Jen-hua, Lo-ch'ang, and Ying-te in Kwangtung has been reported, and a new concentration plant has been established at Shih-hsing. New deposits of the metal have also been reported at Pa-tzu-ling and Chiu-shih-ling of Fu-ch'i in Jen-hua.[31]

As for antimony mining, the production of antimony regulus in Central-South China in the first eleven months of 1950 was said to be 25.6 per cent above the year's plan, while regulus production in Hunan, the most important production center, during the first ten months of 1951 was reported to be 109.3 per cent that of the year's plan, or 13.9 per cent higher than that of the preceding year.

Antimony-refining plants are said to have been improved since 1950, according to the Communists. A 1952 report stated that the Hsin-hsiang mining bureau plant had increased its smelting and refining capacity and that the need for secondary beneficiation was eliminated as of February 1952, and that the proportion of refined antimony in total production had increased.[32] As mentioned earlier, among the

31. Hsin-hua Yüeh-pao [New China Monthly], Peking, October 1951, p. 1,301.

32. Yangtze Daily, Sept. 24, 1952.

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Five-Year Plan projects, the expansion at Hsi-k'uang-shan, largest producer in the country, has begun. Apparently the expansion envisaged includes increasing mechanization in underground and ore-transport facilities.[33]

Cotton Textiles

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The Wuhan area is being developed by the Communists as a center for metallurgical and related heavy industries, and light manufacturing is being expanded both at the traditional centers, Wuhan and Canton, and elsewhere. In particular, attention is called to the establishment of new cotton mills in the cotton-producing districts of Honan Province.

As mentioned earlier, some cotton mills have been built at Wuhan, Nanchang (Kiangsi Province), and Hsiang-t'an (Hunan). With the exception of Wuhan, which is the largest textile center in Central China and accounted for 163,000 spindles in 1954, the production of the Kiangsi and Hunan mills appears to be intended for the local markets. On the other hand, some five new mills have been built or are under construction at Chengchow (Honan Province) and one mill has been erected at Hsin-hsiang. The three mills which have been completed in Chengchow are said to possess 180,000 spindles and 5,000 machine looms. These figures compare favorably with those of the existing textile industry in Wuhan.[34]

33. NCNA, March 1, 1954.

34. Cheng Ch'u-yüan, op. cit., pp. 159-61.